

Auditing Procedures Report

Issued under P.A. 2 of 1968, as amended and P.A. 71 of 1919, as amended.

Local Unit of Government Type <input type="checkbox"/> County <input type="checkbox"/> City <input checked="" type="checkbox"/> Twp <input type="checkbox"/> Village <input type="checkbox"/> Other		Local Unit Name LASALLE TOWNSHIP	County MONROE
Fiscal Year End 03/31/07	Opinion Date 08/02/07	Date Audit Report Submitted to State AUGUST 22, 2007	

We affirm that:

We are certified public accountants licensed to practice in Michigan.

We further affirm the following material, "no" responses have been disclosed in the financial statements, including the notes, or in the Management Letter (report of comments and recommendations).

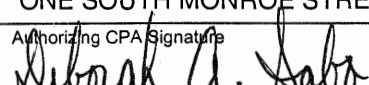
YES
NO

Check each applicable box below. (See instructions for further detail.)

1. ☒ ☐ All required component units/funds/agencies of the local unit are included in the financial statements and/or disclosed in the reporting entity notes to the financial statements as necessary.
2. ☒ ☐ There are no accumulated deficits in one or more of this unit's unreserved fund balances/unrestricted net assets (P.A. 275 of 1980) or the local unit has not exceeded its budget for expenditures.
3. ☒ ☐ The local unit is in compliance with the Uniform Chart of Accounts issued by the Department of Treasury.
4. ☒ ☐ The local unit has adopted a budget for all required funds.
5. ☒ ☐ A public hearing on the budget was held in accordance with State statute.
6. ☒ ☐ The local unit has not violated the Municipal Finance Act, an order issued under the Emergency Municipal Loan Act, or other guidance as issued by the Local Audit and Finance Division.
7. ☒ ☐ The local unit has not been delinquent in distributing tax revenues that were collected for another taxing unit.
8. ☒ ☐ The local unit only holds deposits/investments that comply with statutory requirements.
9. ☒ ☐ The local unit has no illegal or unauthorized expenditures that came to our attention as defined in the *Bulletin for Audits of Local Units of Government in Michigan*, as revised (see Appendix H of Bulletin).
10. ☒ ☐ There are no indications of defalcation, fraud or embezzlement, which came to our attention during the course of our audit that have not been previously communicated to the Local Audit and Finance Division (LAFD). If there is such activity that has not been communicated, please submit a separate report under separate cover.
11. ☐ ☒ The local unit is free of repeated comments from previous years.
12. ☒ ☐ The audit opinion is UNQUALIFIED.
13. ☒ ☐ The local unit has complied with GASB 34 or GASB 34 as modified by MCGAA Statement #7 and other generally accepted accounting principles (GAAP).
14. ☒ ☐ The board or council approves all invoices prior to payment as required by charter or statute.
15. ☒ ☐ To our knowledge, bank reconciliations that were reviewed were performed timely.

If a local unit of government (authorities and commissions included) is operating within the boundaries of the audited entity and is not included in this or any other audit report, nor do they obtain a stand-alone audit, please enclose the name(s), address(es), and a description(s) of the authority and/or commission.

I, the undersigned, certify that this statement is complete and accurate in all respects.

We have enclosed the following:	Enclosed	Not Required (enter a brief justification)	
Financial Statements	<input checked="" type="checkbox"/>		
The letter of Comments and Recommendations	<input checked="" type="checkbox"/>		
Other (Describe)	<input type="checkbox"/>		
Certified Public Accountant (Firm Name) COOLEY HEHL WOHLGAMUTH & CARLTON, PLLC		Telephone Number 734-241-7200	
Street Address ONE SOUTH MONROE STREET		City MONROE	State MI
		Zip 48161	
Authorizing CPA Signature 	Printed Name DEBORAH A. SABO		License Number 1101025211

LASALLE TOWNSHIP
Monroe County, Michigan

ANNUAL FINANCIAL REPORT

March 31, 2007

LASALLE TOWNSHIP

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Independent Auditor's Report

Township Board
LaSalle Township
Monroe County, Michigan

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of LaSalle Township, Monroe County, Michigan as of and for the year ended March 31, 2007, which collectively comprise the Township's basic financial statements as listed in the table of contents. These financial statements are the responsibility of LaSalle Township, Monroe County, Michigan management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of LaSalle Township, Monroe County, Michigan as of March 31, 2007, and the respective changes in financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America.

The management's discussion and analysis and budgetary comparison information on pages 2 through 8 and 33 through 37, are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the LaSalle Township, Monroe County, Michigan basic financial statements. The combining and individual nonmajor fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual fund financial statements have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Cooley Hehl Wohlgamuth & Carlton

August 2, 2007

LASALLE TOWNSHIP

Management's Discussion and Analysis Year Ended March 31, 2007

This section of LaSalle Township's annual financial report presents our discussion and analysis of the Township's financial performance during the fiscal year ended March 31, 2007. Please read it in conjunction with the Township's financial statements, which immediately follow this section. This summary should not be taken as a replacement for the audit which consists of the financial statements and other supplemental information that presents all the Township's revenues and expenditures by program for the General Fund, Special Revenue Funds, Debt Service Funds, and Capital Project Fund.

The Governmental Accounting Standards Board (GASB) adopted this reporting model in *Statement No. 34 Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments*, issued June, 2000. Certain comparative information between the current year and the prior year is required to be presented in the MD&A.

Using this Annual Report

This annual report consists of a series of financial statements and notes to those statements. These statements are organized so the reader can understand LaSalle Township financially as a whole. The ***Government-Wide Financial Statements***, which include the Statement of Net Assets and the Statement of Activities, provide information about the activities of the Township as a whole and presents both a short-term and a long-term view of those finances. The ***Fund Financial Statements*** provide the next level of detail. For governmental activities, these statements explain how services were financed in the short-term as well as what remains for future spending. The ***Fund Financial Statements*** report the Township's operations in more detail than the ***Government-Wide Financial Statements*** by providing information about the Township's most significant funds - the General Fund, the Water Lateral Receiving Special Revenue Fund, the Special Voted Fire Department Special Revenue Fund, the Lakeshore Area Sewer Receiving Special Revenue Fund, the South County Water Debt Fund, the Lakeshore Area Sewer Debt Fund, and the Water District 2002-27A Debt Fund, with all other funds presented in one column as nonmajor funds. The remaining statements, the Statement of Fiduciary Net Assets, presents financial information about activities for which the Township acts solely as an agent for the benefit of the public. The following summary illustrates how the various parts of this annual report are arranged:

Management's Discussion and Analysis (MD&A)
(Required Supplemental Information)

Basic Financial Statements

Government-Wide Financial Statements *Fund Financial Statements*

Notes to the Basic Financial Statements

Budgetary Information for Major Funds
(Required Supplemental Information)

Other Supplemental Information

LASALLE TOWNSHIP

Management's Discussion and Analysis Year Ended March 31, 2007

Government-Wide Financial Statements

The Statement of Net Assets and the Statement of Activities (pages 9-10), which appear first in the Township's financial statements, report information on the Township as a whole and its activities. These statements include all assets and liabilities, using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when cash is received or paid.

These two government-wide statements report the Township's net assets and changes in them. The change in net assets provides the reader a tool to assist in determining whether the Township's financial health is improving or deteriorating. The relationship between revenues and expenses indicates the Township's operating results. However, the Township's goal is to provide services to our residents, not generate profits as commercial entities do. One must consider many other non-financial factors, such as the quality of the services provided and the safety of the public to assess the overall health of the Township.

The Statement of Net Assets and Statement of Activities report the governmental activities for the Township, which encompass Township services, include general government services, public safety, public works, and recreation and cultural services. Property taxes, state-shared revenue, and charges for services provide most of the funding.

Fund Financial Statements

The Township's Fund Financial Statements (pages 11-17) provide detailed information about the most significant or "major" funds - not the Township as a whole. Some funds are required to be established by State law and by bond covenants. However, the Township establishes other funds to control and manage money for particular purposes or to show that it is properly using revenues. The Township's two types of funds: governmental and fiduciary. The funds use different accounting approaches as described below:

Governmental funds - All of the Township's services are reported in governmental funds. Governmental fund reporting focuses on showing how money flows into and out of funds and the balances left at year-end that are available for spending. They are reported using the modified accrual accounting method, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the operations of the Township and the services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the Township's programs. We describe the relationship (or differences) between governmental activities (reported in the Statement of Net Assets and the Statement of Activities) and governmental funds in a reconciliation format in the financial section on pages 13 and 16.

Fiduciary funds – An Agency Fund is used to account for assets held by the Township as an agent for the collection and disbursement of property taxes.

LASALLE TOWNSHIP

Management's Discussion and Analysis *Year Ended March 31, 2007*

Government-Wide Financial Analysis

Recall that the Statement of Net Assets provides the perspective of the Township as a whole. Table 1 provides a summary of the Township's net assets as of March 31, 2007:

Table 1:

Condensed Statement of Net Assets **March 31, 2007 and 2006**

	Governmental Activities	
	2007	2006
Current and other assets	\$2,492,181	\$2,641,858
Capital assets, net	<u>3,321,895</u>	<u>3,225,791</u>
Total Assets	<u>5,814,076</u>	<u>5,867,649</u>
Current and other liabilities	67,772	86,786
Long-term liabilities	<u>761,004</u>	<u>919,854</u>
Total Liabilities	<u>828,776</u>	<u>1,006,640</u>
Net Assets		
Invested in capital assets, net of related debt	2,566,895	2,310,791
Restricted for:		
Debt service	1,189,459	1,345,376
Capital projects	25,652	21,205
Public works	396,575	353,849
Fire protection	323,095	385,637
Unrestricted	<u>483,624</u>	<u>444,151</u>
Total Net Assets	<u>\$4,985,300</u>	<u>\$4,861,009</u>

As depicted in Table 1, the Township's net assets were \$4.9 million at March 31, 2007. Of this amount, a positive \$483,624 was unrestricted. This amount represents the *accumulated* results of all past years' operations. The unrestricted net asset balance is used for working capital and cash flow needs as well as to provide for future uncertainties. It means that if we had to pay off all of our bills *today*, including all of our noncapital liabilities we could with our current resources. The operating results of the General Fund will have a significant impact on the change in unrestricted net assets from year to year.

LASALLE TOWNSHIP

Management's Discussion and Analysis *Year Ended March 31, 2007*

Government-Wide Financial Analysis - Concluded

The results of this year's operations for the Township as a whole are reported in the Statement of Activities (Table 2), which shows the changes in net assets for the fiscal year ended March 31, 2007.

Table 2:

Changes in Net Assets **Years Ended March 31, 2007 and 2006**

	<u>Governmental Activities</u>	
	<u>2007</u>	<u>2006</u>
Revenues		
Program revenues:		
Charges for services	\$ 196,145	\$204,576
Operating grants and contributions	72,075	34,116
Capital grants and contributions	<u>6,792</u>	<u>43,225</u>
	275,012	281,917
General revenues:		
Property taxes	257,257	245,947
State grants	344,458	346,300
Interest	87,834	79,866
Other	<u>62,058</u>	<u>44,782</u>
	<u>751,607</u>	<u>716,895</u>
Total Revenues	1,026,619	998,812
Functions/Program Expenses		
Legislative	25,627	25,836
General government	315,543	318,551
Public safety	211,264	195,840
Public works	303,079	208,445
Recreation and cultural	1,474	1,738
Interest on long-term debt	<u>45,341</u>	<u>54,669</u>
Total Expenses	<u>902,328</u>	<u>805,079</u>
Increase (Decrease) in Net Assets	<u>\$ 124,291</u>	<u>\$193,733</u>

As indicated in Table 2, the cost of *all governmental* activities this year was \$902,328. Of this amount, \$275,012 was subsidized with revenue generated from charges for services, grants, and contributions with the remaining costs financed with general revenues which consisted mainly of property taxes and state shared revenues. The Township's governmental activities experienced an increase in net assets of \$124,291. The increase in net assets differs from the change in fund balance. A reconciliation of the change in fund balances of the governmental funds to the change in net assets appears on page 16.

LASALLE TOWNSHIP

Management's Discussion and Analysis *Year Ended March 31, 2007*

Fund Financial Analysis

As noted earlier, the Township uses funds to help control and manage money for particular purposes. Looking at funds helps the reader consider whether LaSalle Township is being held accountable for the resources taxpayers and others provide to it and may give more insight into the Township's overall financial health.

As the Township completed this year, the governmental funds reported a combined fund balance of \$2,142,775 which is a decrease of \$115,336 from last year. The changes by major and nonmajor funds are as follows:

	General Fund	Special Revenue Funds	Debt Service Funds	Nonmajor Funds	Total
Fund balances -					
Beginning of Year	\$449,005	\$698,242	\$791,523	\$319,341	\$2,258,111
Increase (decrease)	40,623	(15,054)	11,043	(151,948)	(115,336)
Fund balances -					
End of year	<u>\$489,628</u>	<u>\$683,188</u>	<u>\$802,566</u>	<u>\$167,393</u>	<u>\$2,142,775</u>

The Township's General Fund balance increase is illustrated in the tables that follow.

	March 31, 2007	March 31, 2006	Percent Change
Revenues			
Property taxes and assessments	\$129,568	\$124,162	4.35 %
Licenses and permits	55,965	65,474	(14.52)%
State grants	344,458	346,300	(0.53)%
Contributions from local units	6,792	-	100.00 %
Charges for services	14,540	15,605	(6.82)%
Interest and penalties	15,922	10,590	50.35 %
Other revenue	34,928	24,870	40.44 %
Total Revenues	<u>\$602,173</u>	<u>\$587,001</u>	2.58 %

Contributions from local units in 2007 represents a donated voting machine of \$6,792.

LASALLE TOWNSHIP

Management's Discussion and Analysis Year Ended March 31, 2007

Fund Financial Analysis – Concluded

	March 31, 2007	March 31, 2006	Percent Change
Expenditures			
Legislative	\$ 25,627	\$ 25,836	(0.81)%
General government	249,732	239,961	4.07 %
Public safety	108,674	108,763	(0.08)%
Public works	63,506	68,643	(7.48)%
Recreation and culture	1,474	1,738	(15.19)%
Other	85,598	79,606	7.53 %
Total Expenditures	\$534,611	\$524,547	1.92 %

General government expenditures of \$249,732 in 2007 included a capital outlay expenditure for \$6,792 of a donated voting machine.

General Fund Budgetary Highlights

The Uniform Budget Act of the State of Michigan requires the Township Board to adopt the original budget for the upcoming fiscal year prior to April 1, the start of the fiscal year. Over the course of the year, the Township revises its budget as it attempts to deal with the unexpected changes in revenues and expenditures. State law requires that the budget be amended to ensure that expenditures do not exceed appropriations. A schedule illustrating the Township's original and final budget amounts compared with amounts actually paid and received is provided in the required supplemental information of these financial statements.

The revisions made to the original budget and the final amended budgets were relatively minor. The original budget for revenues was \$578,300, and there were no amendments to the revenue budget. The original budget for expenditures was \$638,300. Amendments to the original expenditure budget were small amounts between various departments.

Capital Assets and Debt Administration

Capital Assets

At March 31, 2007, the Township had \$5,079,375 invested in a broad range of capital assets, including land, building and building improvements, equipment, fire equipment, vehicles, and sewer and water lines. This amount represents a net increase (including additions and disposals) of \$217,111 from last year. This year's additions included fire equipment, rescue boat, ambulance, voting machine, and township building improvements. Depreciation for this year totaled \$121,007. Detailed information regarding capital assets is included in Note 6 to the financial statements.

LASALLE TOWNSHIP

Management's Discussion and Analysis Year Ended March 31, 2007

Capital Assets and Debt Administration (Concluded)

Debt

At March 31, 2007, the Township had \$755,000 in bonds and contract payable. The bonds payable is comprised of \$215,000 in special assessment water district bonds. The contract payable of \$540,000 is for the sewer disposal system. The Township has an accrued liability for unused vacation days of \$6,004 at March 31, 2007. Detailed information regarding the Township's debt is included in Note 7 to the financial statements.

Development of the 2008 Fiscal Year Budget

The budget for the 2008 fiscal year is consistent with the prior year budget. Revenues for 2008 are budgeted for \$591,500 as compared to \$578,300 for 2007. The following are some of the changes for 2008: property taxes increased by \$6,500; state shared revenue decreased by \$200; license and permits decreased by \$6,000; interest revenue decreased by \$6,500; and hearing fees increased by \$3,000.

Expenditures for 2008 are budgeted for \$681,500 as compared to \$638,300 for 2007. The net increase of \$43,200 is mainly in highways and streets for \$39,600.

Contacting LaSalle Township

This financial report is designed to provide the Township's citizens, taxpayers, customers, investors and creditors with a general overview of the Township's finances and to demonstrate their accountability for the money it receives. If you have questions about this report or need additional information, contact LaSalle Township, 4111 LaPlaisance Road, P.O. Box 46, LaSalle, MI 48145.

LASALLE TOWNSHIP*Statement of Net Assets*
March 31, 2007

	Governmental Activities
Assets	
Cash and cash equivalents	\$1,598,908
Cash with fiscal agent	127,708
Receivables:	
Accounts and accrued interest	38,777
Special assessment	329,691
Delinquent taxes	38,880
Prepaid insurance	11,390
Due from other governmental units	346,827
Depreciable capital assets, net	3,321,895
Total Assets	5,814,076
Liabilities	
Accounts payable	1,821
Accrued interest payable	15,951
Other liabilities	50,000
Long-term liabilities:	
Due within one year	146,004
Due in more than one year	615,000
Total Liabilities	828,776
Net Assets	
Invested in capital assets, net of related debt	2,566,895
Restricted for:	
Debt service	1,189,459
Capital projects	25,652
Public works	396,575
Fire protection	323,095
Unrestricted	483,624
Total Net Assets	\$4,985,300

See accompanying notes to the basic financial statements.

LASALLE TOWNSHIP

Statement of Activities Year Ended March 31, 2007

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Assets
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
Governmental Activities:					
Legislative	\$25,627	\$0	\$0	\$0	(\$25,627)
General government	315,543	14,540	0	6,792	(294,211)
Public safety	211,264	31,113	2,601	0	(177,550)
Public works	303,079	150,492	69,474	0	(83,113)
Recreation and culture	1,474	0	0	0	(1,474)
Interest on long-term debt	45,341	0	0	0	(45,341)
Total Governmental Activities	<u>\$902,328</u>	<u>\$196,145</u>	<u>\$72,075</u>	<u>\$6,792</u>	(627,316)
General Revenues:					
Property taxes					257,257
State grants					344,458
Interest					87,834
Other					<u>62,058</u>
Total General Revenues					<u>751,607</u>
Change in Net Assets					124,291
Net Assets - Beginning of year					<u>4,861,009</u>
Net Assets - End of year					<u>\$4,985,300</u>

See accompanying notes to the basic financial statements.

LASALLE TOWNSHIP

Governmental Funds Balance Sheet March 31, 2007

	Special Revenue Funds			
	General	Water Lateral Receiving	Special Voted Fire Department	Lakeshore Area Sewer Receiving
Assets				
Cash and cash equivalents	\$328,904	\$229,547	\$194,945	\$31,944
Cash with fiscal agent	0	0	0	45,380
Receivables:				
Accounts and accrued interest	0	3,264	0	24,428
Special assessments	0	104,262	0	0
Delinquent taxes	10,448	1,656	10,082	4,304
Prepaid insurance	11,390	0	0	0
Due from other funds	11,573	30,468	0	0
Due from other governmental units	179,134	3,437	118,068	13,394
Total Assets	\$541,449	\$372,634	\$323,095	\$119,450
Liabilities and Fund Balances				
Liabilities				
Accounts payable	\$1,821	\$0	\$0	\$0
Due to other funds	0	0	0	30,468
Deferred revenue	0	91,398	0	10,125
Performance bonds	50,000	0	0	0
Total Liabilities	51,821	91,398	0	40,593
Fund Balances				
Reserved for debt service	0	0	0	0
Unreserved:				
Undesignated, reported in:				
General Fund	489,628	0	0	0
Special Revenue Funds	0	281,236	323,095	78,857
Capital Project Funds	0	0	0	0
Total Fund Balances	489,628	281,236	323,095	78,857
Total Liabilities and Fund Balances	\$541,449	\$372,634	\$323,095	\$119,450

See accompanying notes to the basic financial statements.

Debt Service Funds				
South County Water	Lakeshore Area Sewer	Water District 2002-27A	Other Nonmajor Governmental Funds	Total Governmental Funds
\$374,518	\$231,204	\$69,929	\$137,917	\$1,598,908
0	76,956	0	5,372	127,708
0	11,085	0	0	38,777
0	112,097	93,320	20,012	329,691
0	7,869	918	3,603	38,880
0	0	0	0	11,390
0	0	0	0	42,041
0	9,287	2,750	20,757	346,827
<u>\$374,518</u>	<u>\$448,498</u>	<u>\$166,917</u>	<u>\$187,661</u>	<u>\$2,534,222</u>
\$0	\$0	\$0	\$0	\$1,821
0	0	0	11,573	42,041
0	103,047	84,320	8,695	297,585
0	0	0	0	50,000
0	103,047	84,320	20,268	391,447
374,518	345,451	82,597	115,384	917,950
0	0	0	0	489,628
0	0	0	26,357	709,545
0	0	0	25,652	25,652
<u>374,518</u>	<u>345,451</u>	<u>82,597</u>	<u>167,393</u>	<u>2,142,775</u>
<u>\$374,518</u>	<u>\$448,498</u>	<u>\$166,917</u>	<u>\$187,661</u>	<u>\$2,534,222</u>

LASALLE TOWNSHIP

*Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Assets
March 31, 2007*

Total Fund Balances - Governmental Funds			\$2,142,775
Amounts reported for governmental activities in the statement of net assets are different because:			
Capital assets used in governmental activities are not financial resources and are not reported in the funds:			
Cost of the capital assets		\$5,079,375	
Accumulated depreciation		<u>(1,757,480)</u>	
			3,321,895
Other long-term assets are not available to pay for current-period expenditures and therefore are offset by deferred revenue in the funds.			297,585
Long-term liabilities, including bonds payable and accrued interest payable, are not due and payable in the current period and therefore are not reported in the funds:			
Loan payable		(761,004)	
Accrued interest		<u>(15,951)</u>	
			<u>(776,955)</u>
Total Net Assets - Governmental Activities			<u>\$4,985,300</u>

See accompanying notes to the basic financial statements.

LASALLE TOWNSHIP

Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances Year Ended March 31, 2007

	Special Revenue Funds			
	General	Water Lateral Receiving	Special Voted Fire Department	Lakeshore Area Sewer Receiving
Revenues				
Property taxes and special assessments	\$129,568	\$27,398	\$127,689	\$0
Licenses and permits	55,965	0	0	0
State grants	344,458	0	0	0
Contributions from local units	6,792	0	0	0
Charges for services	14,540	0	0	91,249
Interest	15,922	8,940	7,886	1,520
Other revenue	34,928	0	2,278	0
Total Revenues	602,173	36,338	137,853	92,769
Expenditures				
Legislative	25,627	0	0	0
General government	249,732	0	0	0
Public safety	108,674	0	200,395	0
Public works	63,506	0	0	84,583
Recreation and culture	1,474	0	0	0
Other	85,598	0	0	0
Debt service	0	0	0	0
Capital projects	0	0	0	0
Total Expenditures	534,611	0	200,395	84,583
Excess (Deficiency) of Revenue Over Expenditures	67,562	36,338	(62,542)	8,186
Other Financing Sources (Uses)				
Operating transfers in	0	2,964	0	0
Operating transfers out	(26,939)	0	0	0
Total Other Financing Sources (Uses)	(26,939)	2,964	0	0
Net Change in Fund Balances	40,623	39,302	(62,542)	8,186
Fund Balances - Beginning of year	449,005	241,934	385,637	70,671
Fund Balances - End of year	<u>\$489,628</u>	<u>\$281,236</u>	<u>\$323,095</u>	<u>\$78,857</u>

See accompanying notes to the basic financial statements.

Debt Service Funds				
South County Water	Lakeshore Area Sewer	Water District 2002-27A	Other Nonmajor Governmental Funds	Total Governmental Funds
\$0	\$22,012	\$8,500	\$44,011	\$359,178
0	0	0	0	55,965
0	0	0	2,601	347,059
0	0	0	0	6,792
0	0	0	0	105,789
16,836	21,170	7,296	8,264	87,834
0	44,780	0	0	81,986
16,836	87,962	15,796	54,876	1,044,603
0	0	0	0	25,627
0	0	0	0	249,732
0	0	0	21,112	330,181
0	0	0	12,923	161,012
0	0	0	0	1,474
0	0	0	0	85,598
0	93,541	16,010	180,814	290,365
0	0	0	15,950	15,950
0	93,541	16,010	230,799	1,159,939
16,836	(5,579)	(214)	(175,923)	(115,336)
0	0	0	26,939	29,903
0	0	0	(2,964)	(29,903)
0	0	0	23,975	0
16,836	(5,579)	(214)	(151,948)	(115,336)
357,682	351,030	82,811	319,341	2,258,111
<u>\$374,518</u>	<u>\$345,451</u>	<u>\$82,597</u>	<u>\$167,393</u>	<u>\$2,142,775</u>

LASALLE TOWNSHIP

*Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of
Governmental Funds to the Statement of Activities
Year Ended March 31, 2007*

Net Change in Fund Balances - Total Governmental Funds			(\$115,336)
Amounts reported for governmental activities in the statement of activities are different because:			
Governmental funds report capital outlays as expenditures;			
in the statement of activities, these costs are allocated over their			
estimated useful lives as depreciation expense.			
Depreciation expense		(\$121,007)	
Capital outlay		<u>217,111</u>	
			96,104
Accrued interest is recorded in the statement of activities when incurred;			
it is not reported in governmental funds until paid.			
			2,657
Revenues in the statement of activities that do not provide current financial			
resources are not reported as revenue in the funds.			
			(17,984)
Repayments of bond principal is an expenditure in the governmental funds,			
but not in the statement of activities (where it reduces long-term debt).			
			160,000
Increases in the liability for compensated absences are reported as an			
expenditure in the statement of activities, but not in the governmental funds			
			<u>(1,150)</u>
Change in Net Assets of Governmental Activities			<u><u>\$124,291</u></u>

See accompanying notes to the basic financial statements.

LASALLE TOWNSHIP*Agency Funds**Statement of Fiduciary Net Assets**March 31, 2007*

	<u>Tax Collection</u>	<u>Water Tap Fee</u>	<u>Water Bill</u>	<u>Totals</u>
Assets				
Cash	<u>\$276,599</u>	<u>\$14,142</u>	<u>\$23</u>	<u>\$290,764</u>
Liabilities				
Due to other governments	\$276,599	\$10,365	\$23	\$286,987
Due to others	<u>0</u>	<u>3,777</u>	<u>0</u>	<u>3,777</u>
Total Liabilities	<u>\$276,599</u>	<u>\$14,142</u>	<u>\$23</u>	<u>\$290,764</u>

See accompanying notes to the basic financial statements.

LASALLE TOWNSHIP

Notes to Financial Statements *Year Ended March 31, 2007*

Note 1 Description of the Township and Reporting Entity

The Township operates under a locally elected five member Board form of government and provides the following services: public safety (fire), public improvements, planning and zoning, and general administrative services.

Reporting Entity

A reporting entity is comprised of the primary government, component units, and other organizations that are included to insure that the financial statements are not misleading. The primary government of the Township consists of all funds, departments, boards, and agencies that are not legally separate from the Township.

Component units are legally separate organizations for which the Township is financially accountable. Component units may also include organizations that are fiscally dependent on the Township in that the Township approves their budget, the issuance of their debt, or the levying of taxes. The Township has no component units.

The following entity is a joint venture which is not included in the governmental fund financial statements.

South County Water System - This is a joint venture between the County of Monroe, LaSalle Township, Bedford Township, Erie Township, and the City of Luna Pier to renovate and improve the South County Water System.

Note 2 Summary of Significant Accounting Policies

The financial statements of LaSalle Township have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Council (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. Following are the more significant of the Township's accounting policies.

Basis of Presentation

A. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net assets and the statement of activities) report information on all of the nonfiduciary activities of the primary government. As a general rule, the effect of interfund activity has been eliminated from the government-wide statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues are reported separately from business-type activities which rely, to a significant extent on fees and charges for support. The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Amounts reported as program revenue include (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided; (2) operating grants and contributions; and (3) capital grants and contributions. General revenue includes taxes, intergovernmental payments, sales of property, and other items not properly included among program revenues.

Separate financial statements are provided for governmental funds and agency funds, even though the latter are excluded from the government-wide financial statements. Individual major governmental funds are reported as separate columns in the fund financial statements.

LASALLE TOWNSHIP

Notes to Financial Statements *Year Ended March 31, 2007*

Note 2

Summary of Significant Accounting Policies

Basis of Presentation (Continued)

B. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

Government-Wide Statements - The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenue is recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenue in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Fund Financial Statements - Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenue is recognized as soon as it is both measurable and available. Revenue is considered to be available if it is collected within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Governmental fund expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

On the governmental funds statements, property taxes, intergovernmental grants, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenue of the current fiscal period. All other revenue items are considered to be available only when cash is received by the Township.

When both restricted and unrestricted resources are available for use, it is the government's policy to use restricted resources first, then unrestricted resources as they are needed.

Agency fund statements also are reported using the economic resources measurement focus and the cash basis of accounting.

The Township reports the following major governmental funds:

The General Fund is the Township's primary operating fund. The General Fund accounts for all financial resources of the Township, except those required to be accounted for in another fund.

The Special Revenue Fund - Water Lateral Receiving Fund accounts for the collection of debt service charges for each water tap-in. These moneys are available for operation and maintenance, expansion and replacement of the laterals and for debt service.

The Special Revenue Fund - Special Voted Fire Department Fund accounts for proceeds from a tax millage to be used for the purchase of, construction of, and/or repair of fire department building and equipment.

The Special Revenue Fund - Lakeshore Area Sewer Receiving Fund accounts for the collection of monthly sewer bills from Township residents and payment to the City of Luna Pier for providing sewer service to the Township.

LASALLE TOWNSHIP

Notes to Financial Statements Year Ended March 31, 2007

Note 2 Summary of Significant Accounting Policies (Continued)

Basis of Presentation (Continued)

B. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Concluded)

The Debt Fund - South County Water Fund accumulates interest on tax revenue that was collected for the South County Water System to retire bonds.

The Debt Fund - Lakeshore Area Sewer Fund accounts for the collection of the Lakeshore Area Sewer Special Assessment No. 1990-A, used to defray part of the Township's obligation to the County of Monroe to cover the remaining cost of the \$845,000 refunding bond issue.

The Debt Fund - Water District 2002-27A Fund accounts for the collection of Water District Special Assessments No. 2002-27A, used to pay the cost of a \$150,000 bond issue.

The Township reports the following nonmajor governmental funds:

The Special Revenue Funds - Liquor Law Enforcement, Lighting, Foster Lane, Belleterre District No. 1, North Shore Drain O&M, and North Shore Snow. The Debt Service Funds - Water District 1991-A, Water District 1991-B, Water District 1995-13B, Water District 1995-16A & 17A, and Water District 1997-21A. The Capital Projects Fund - Building and Improvement.

C. Assets, Liabilities, and Net Assets or Equity

Deposits and Investments - Cash and cash equivalents include cash on hand, demand deposits, and short-term investments with a maturity of three months or less when acquired.

Property Tax Receivable - Property taxes are assessed as of December 31 and the related property taxes become a lien on July 1 and December 1 of the following year. Summer taxes are considered delinquent July 31, and winter taxes are considered delinquent February 15 of the following year.

Prepaid Assets - Payments made to vendors for services that will benefit periods beyond March 31, 2007, are recorded as prepaid items using the consumption method. A current asset for the prepaid amount is recorded at the time of the purchase and an expenditure/expense is reported in the year in which services are consumed.

Capital Assets - General capital assets are those assets related to the general activities and expenditures reported in the governmental funds. These assets are reported in the governmental activities column of the government-wide statement of net assets but are not reported on the fund financial statements.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and reductions during the year. Donated fixed assets are recorded at their fair market values as of the date received. The Township maintains a capitalization threshold of one thousand dollars and an estimated useful life in excess of one year. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not capitalized. The Township has elected not to retroactively report infrastructure assets except those related to outstanding bond issues as of March 31, 2004.

LASALLE TOWNSHIP

Notes to Financial Statements *Year Ended March 31, 2007*

Note 2 Summary of Significant Accounting Policies (Continued)

Basis of Presentation (Continued)

C. Assets, Liabilities, and Net Assets or Equity (Continued)

All reported capital assets, other than land, are depreciated. Depreciation is computed using the straight-line method over the following useful lives:

<u>Description</u>	<u>Estimated Lives</u>
Buildings and buildings improvements	10-50 years
Machinery and equipment	3-10 years
Vehicles	5-25 years
Water lines	50 years
Sewer lines	50 years

Interfund Balances - On fund financial statements, receivables and payables resulting from short-term interfund loans are classified as "due to/from other funds." These amounts are eliminated in the governmental activities column of the statement of net assets.

Accrued Liabilities and Long-Term Obligations -All payables, accrued liabilities, and long-term obligations are reported in the government-wide financial statements.

In general, governmental fund payables and accrued liabilities that once incurred, are paid in a timely manner and in full from current financial resources, are reported as obligations of the funds. However, claims and judgments, that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are due for payment during the current year. Payments of long-term loans that are paid from governmental funds are recognized as an expenditure on the governmental fund financial statements when due.

Net Assets - Net assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction, or improvement of those assets. Net assets are reported as restricted when there are limitations imposed on their use either through enabling legislation or through external restrictions imposed by creditors, grantors or laws, or regulations of other governments.

Interfund Transactions - Exchange transactions between funds are reported as revenues in the seller funds and as expenditures in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds. Repayments from funds responsible for particular expenditures to the funds that initially paid for them are not presented on the financial statements.

Fund Balance Reserves and Designations - In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change.

LASALLE TOWNSHIP

Notes to Financial Statements *Year Ended March 31, 2007*

Note 2 Summary of Significant Accounting Policies (Concluded)

Basis of Presentation (Concluded)

C. Assets, Liabilities, and Net Assets or Equity (Concluded)

Compensated Absences - Township employees are granted vacation days under formulas and conditions in the personnel policy manual. All earned vacation must be taken within the calendar year. There is no provision for carryover of vacation. The Township does not provide for sick pay for employees.

D. Estimates - The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported on the financial statements and accompanying notes. Actual results may differ from those estimates.

E. Extraordinary and Special Items - Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of the Township and that are either unusual in nature or infrequent in occurrence. Neither type of transaction occurred during fiscal year 2007.

F. Budgetary Policies - The budgetary process is prescribed by provisions of the State of Michigan Budget Act and entails the preparation of budgetary documents within an established timetable. The General Fund and all Special Revenue Funds are legally required to be budgeted and appropriated. The legal level of budgetary control has been established by the Township Board at the function level. Any budgetary modifications may only be made by resolution of the Township Board.

The fiscal officer submits to the Township Board a proposed operating budget for the fiscal year commencing the following April.

1. The operating budget includes proposed expenditures and the means of financing them. Unexpended appropriations lapse at year end.
2. A public hearing is conducted to obtain taxpayer comments.
3. The budget is legally enacted through a Board motion.
4. Any revisions to the budget must be approved by the Township Board.
5. Budgeted amounts are as originally adopted, or as amended by the Township Board.
6. Budgets are adopted on a basis consistent with generally accepted accounting principles.
7. Lapsing of Appropriations - At the close of each year all unspent appropriations revert to the respective funds from which they were appropriated and become subject to future appropriations.

LASALLE TOWNSHIP

Notes to Financial Statements *Year Ended March 31, 2007*

Note 3 Stewardship, Accountability and Compliance

The Township shall not incur expenditures in excess of the amount appropriated. Annual budgets are adopted on a basis that is consistent with generally accepted accounting principles and State Law for the General and Special Revenue Funds.

In the required supplemental information, the Township's actual expenditures and budgeted expenditures for the budgetary funds have been shown on a functional basis, which is the adopted legal level of control.

For the year ended March 31, 2007, expenditures exceeded final budgeted amounts in the following funds:

	<u>Final Budget</u>	<u>Actual Expenditures</u>	<u>Variance</u>
Lighting Fund	\$16,972	\$18,511	\$ (1,539)
Foster Lane Fund	2,400	3,745	(1,345)
North Shores Drain O & M Fund	0	4,023	(4,023)
Water District 1991-A	20,900	49,244	(28,344)
Water District 1991-B	5,915	7,033	(1,118)
Water District 1995-13B	-	52,623	(52,623)

Note 4 Deposits

Statutes authorize the Township to invest in obligations of the U.S. Treasury, agencies, and instrumentalities; commercial paper within the three highest rate classifications by at least two rating services; bankers' acceptances of U.S. banks, U.S. or agency repurchase agreements; savings accounts and certificates of deposit with banks and savings and loan associations, or credit unions which are insured with the applicable federal agency. Public funds of the Township may not be deposited in financial institutions located in states other than Michigan.

Public Act 367 of 1982 (known as the Surplus Funds Investment Pool Act) enables municipalities to invest surplus operating funds in investment pools managed by qualified financial institutions. At March 31, 2007, the Township had invested in such a fund with a local bank. The Township is able to retrieve these funds without restriction and, accordingly, this amount is considered to be available cash. The local bank invests these funds in a variety of instruments including bonds and direct obligations of the United States, certificates of deposit, commercial paper rated within the three highest classifications by not less than two standard rating services, United States government or federal agency obligation repurchase agreements and bankers acceptances of the United States banks.

The Township believes that, due to the dollar amounts of cash deposits and the limits of FDIC insurance, and since State of Michigan legislation does not require that all deposits be collateralized, it is impractical to insure all bank deposits. As a result, the Township evaluates each financial institution with which it deposits Township funds and assesses the level of risk at each institution; only those institutions with an acceptable estimated risk level are used as depositories.

LASALLE TOWNSHIP

Notes to Financial Statements Year Ended March 31, 2007

Note 4 Deposits (Concluded)

The Board has adopted an investment policy authorizing certain types of investments and authorized two depositories: Monroe Bank and Trust and National City Bank.

Interest rate risk. The Township's investment policy does not limit investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit risk. The Township will minimize credit risk, which is the risk of loss due to the failure of the security issuer or backer, by limiting investments to the types of securities listed in the Township's investment policy.

Concentration of credit risk. The Township does not place any limits on the amount the Township may deposit or invest in any one issuer.

Custodial credit risk. Custodial credit risk for deposits is the risk that in the event of a bank failure, the Township's deposits may not be returned or the Township will not be able to recover the collateral securities in the possession of an outside party. The Township has \$2,094,708 invested in certificates of deposit, checking accounts, and money markets. The Township's deposits are insured by the FDIC in the amount of \$200,000, with uninsured deposits of \$1,894,708. The Township's deposits are at institutions with an established record of fiscal health and service. The Township Board approves and designates a list of authorized depository institutions. The Township's investment policy does not address deposit risk.

Foreign currency risk. The Township is not authorized to invest in investments which have this type of risk.

Note 5 Interfund Receivable and Payable Balances

Interfund balances at March 31, 2007 consisted of the following individual fund receivables and payables:

<u>Fund</u>	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
General Fund:		
Special Revenue Funds:		
Lighting Fund	\$11,573	
Special Revenue Funds:		
Lighting Fund:		
General Fund		\$11,573
Water Lateral Receiving Fund:		
Special Revenue Fund:		
Lakeshore Area Sewer Receiving Fund	30,468	
Lakeshore Area Sewer Receiving Fund:		
Special Revenue Fund:		
Water Lateral Receiving Fund		30,468
	<u>\$42,041</u>	<u>\$42,041</u>

Interfund balances reflect temporary loans and reimbursements due in the normal course of interfund activity.

LASALLE TOWNSHIP

Notes to Financial Statements *Year Ended March 31, 2007*

Note 6 Capital Assets

Capital asset activity for the fiscal year ended March 31, 2007, was as follows:

	<u>Balance</u> <u>April 1, 2006</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>March 31, 2007</u>
Governmental Activities				
Assets not being depreciated				
Land	\$ 58,000	\$ -	\$ -	\$ 58,000
Capital assets being depreciated:				
Buildings and building improvements	1,209,160	12,804	-	1,221,964
Machinery and equipment	278,288	9,915	-	288,203
Vehicles	331,816	194,392	-	526,208
Water lines	1,455,000	-	-	1,455,000
Sewer lines	<u>1,530,000</u>	<u>-</u>	<u>-</u>	<u>1,530,000</u>
	<u>4,804,264</u>	<u>217,111</u>	<u>-</u>	<u>5,021,375</u>
 Total capital assets	 4,862,264	 217,111	 -	 5,079,375
Less accumulated depreciation:				
Buildings and building improvements	(286,201)	(26,013)	-	(312,214)
Machinery and equipment	(140,725)	(25,640)	-	(166,365)
Vehicles	(291,043)	(9,654)	-	(300,697)
Water lines	(354,954)	(29,100)	-	(384,054)
Sewer lines	<u>(563,550)</u>	<u>(30,600)</u>	<u>-</u>	<u>(594,150)</u>
 Total accumulated depreciation	 <u>(1,636,473)</u>	 <u>(121,007)</u>	 <u>-</u>	 <u>(1,757,480)</u>
 Net capital assets	 <u>\$3,225,791</u>	 <u>\$ 96,104</u>	 <u>\$ -</u>	 <u>\$3,321,895</u>

Depreciation expense was charged to governmental functions as follows:

General government	\$ 5,593
Public safety	55,714
Public works	<u>59,700</u>
 Total governmental activities	 <u>\$121,007</u>

LASALLE TOWNSHIP

Notes to Financial Statements Year Ended March 31, 2007

Note 7 Long-Term Debt

The following is a summary of long-term debt outstanding as of March 31, 2007:

	<u>Interest Rate</u>	<u>Date of Issue</u>	<u>Maturity Dates</u>	<u>Original Amount of Issue</u>	<u>Balance Outstanding</u>
Special assessment debt:					
Water District 1991-B	6.000%-				
Special Assessment Bonds	8.000%	02/18/92	04/01/2008	\$ 85,000	\$ 5,000
Water District 1995-16A & 17A	4.300%-				
Special Assessment Bonds	5.250%	09/01/95	09/01/2008	540,000	50,000
Water District 1997-21A					
Special Assessment Bonds	4.950%	02/01/98	09/01/2010	150,000	40,000
Water District 2002-27A					
Special Assessment Bonds	4.450%	03/25/03	11/01/2018	150,000	<u>120,000</u>
					215,000
Contracts payable:					
LaSalle Sewer Disposal:					
System No.1 Refunding	3.850%-				
Bonds	6.000%	09/15/95	05/01/2016	845,000	<u>540,000</u>
					<u>\$755,000</u>

Following is a summary of changes in long-term debt as of March 31, 2007:

	<u>Balance 3/31/06</u>	<u>Additions</u>	<u>Retired</u>	<u>Balance 3/31/07</u>	<u>Due In One Year</u>
Special Assessment Debt:					
Water District 1991-A	\$ 20,000	\$ -	\$ 20,000	\$ -	\$ -
Water District 1991-B	10,000	-	5,000	5,000	5,000
Water District 1995-16A & 17A	100,000	-	50,000	50,000	50,000
Water District 1997-21A	55,000	-	15,000	40,000	15,000
Water District 2002-27A	<u>130,000</u>	<u>-</u>	<u>10,000</u>	<u>120,000</u>	<u>10,000</u>
	315,000	-	100,000	215,000	80,000
Contracts Payable:					
LaSalle Sewer Disposal					
System No.1 Refunding					
Bonds	600,000	-	60,000	540,000	60,000
Compensated Absences Payable	<u>4,854</u>	<u>1,150</u>	<u>-</u>	<u>6,004</u>	<u>6,004</u>
	<u>604,854</u>	<u>1,150</u>	<u>60,000</u>	<u>546,004</u>	<u>66,004</u>
Totals	<u>\$919,854</u>	<u>\$1,150</u>	<u>\$160,000</u>	<u>\$761,004</u>	<u>\$146,004</u>

LASALLE TOWNSHIP

Notes to Financial Statements Year Ended March 31, 2007

Note 7 Long-Term Debt (Continued)

Following are repayment schedules of the March 31, 2007 balances:

Water District 1991-B - Special Assessment Bonds - \$85,000 bond issue dated February 18, 1992:

<u>Fiscal Year</u>	<u>Interest Due</u>		<u>Principal Due April 1</u>	<u>Total Requirements</u>
	<u>April 1</u>	<u>October 1</u>		
2008	<u>\$172</u>	<u>\$ -</u>	<u>\$5,000</u>	<u>\$5,172</u>

- Notes:
1. The above schedule does not include paying agent fees.
 2. Interest: 6.00% to 8.00%
 3. Paying agent: LaSalle Bank

Water District 1995-16A & 17A - Special Assessment Bonds - \$540,000 bond issue dated September 1, 1995:

<u>Fiscal Year</u>	<u>Interest Due</u>		<u>Principal Due September 1</u>	<u>Total Requirements</u>
	<u>September 1</u>	<u>March 1</u>		
2008	<u>\$1,312</u>	<u>\$ -</u>	<u>\$50,000</u>	<u>\$51,312</u>

- Notes:
1. The schedule does not include paying agent fees.
 2. Interest: 4.30% to 5.25%
 3. Paying agent: LaSalle Bank

Water District 1997-21A - Special Assessment Bonds - \$150,000 bond issue dated February 1, 1998:

<u>Fiscal Year</u>	<u>Interest Due</u>		<u>Principal Due September 1</u>	<u>Total Requirements</u>
	<u>September 1</u>	<u>March 1</u>		
2008	\$ 990	\$619	\$15,000	\$16,609
2009	619	371	10,000	10,990
2010	<u>371</u>	<u>-</u>	<u>15,000</u>	<u>15,371</u>
	<u>\$1,980</u>	<u>\$990</u>	<u>\$40,000</u>	<u>\$42,970</u>

- Notes:
1. The above schedule does not include paying agent fees.
 2. Interest: 4.95%
 3. Paying agent: Monroe Bank & Trust

LASALLE TOWNSHIP

Notes to Financial Statements *Year Ended March 31, 2007*

Note 7 Long-Term Debt (Continued)

Water District 2002-27A - Special Assessment Bonds - \$150,000 bond issue dated March 25, 2003:

<u>Fiscal Year</u>	<u>Interest Due</u>		<u>Principal Due</u>	<u>Total</u>
	<u>November 1</u>	<u>May 1</u>	<u>November 1</u>	<u>Requirements</u>
2008	\$ 2,670	\$ 2,670	\$ 10,000	\$ 15,340
2009	2,448	2,448	11,000	15,896
2010	2,202	2,202	11,000	15,404
2011	1,958	1,958	11,000	14,916
2012	1,713	1,713	11,000	14,426
2013	1,469	1,469	11,000	13,938
2014	1,223	1,223	11,000	13,446
2015	979	979	11,000	12,958
2016	734	734	11,000	12,468
2017	490	490	11,000	11,980
2018	<u>245</u>	<u>245</u>	<u>11,000</u>	<u>11,490</u>
	<u>\$16,131</u>	<u>\$16,131</u>	<u>\$120,000</u>	<u>\$152,262</u>

- Notes: 1. The above schedule does not include paying agent fees.
 2. Interest: 4.45%
 3. Paying agent: Monroe Bank & Trust

LaSalle Sanitary Sewer System Contract Payable - \$1,530,000 bond issue dated November 1, 1989 by the County of Monroe. (LaSalle Township is obligated to pay the County of Monroe sufficient amounts to cover the principal and interest requirements to retire this bond issue):

On September 15, 1995, the County of Monroe issued \$845,000 in Sewage Disposal Refunding Bonds (LaSalle Township System No.1) with interest rates from 3.85% to 6.0% to advance refund a portion of the \$1,305,000 of outstanding Limited Tax Sewage Disposal Bonds with interest rates from 6.35% to 9.00%. The net proceeds of \$810,213 (after a discount of \$10,563, issuance costs of \$24,225) plus a Township contribution of \$240,000 were used to purchase U.S. Government Securities.

Those securities were deposited in an irrevocable trust with an escrow agent to provide for a portion of the future debt service payments on the 1989 Series bonds. As a result, \$980,000 of the 1989 bonds is considered to be defeased and the liability for those bonds has been removed from the general long-term account group.

The Township advance refunded a portion of the 1989 bonds to reduce its total debt service payments over the next 20 years by \$181,108. The Township sustained an economic loss of \$7,945 (difference between the present values of the debt service payments on the old and new debt).

LASALLE TOWNSHIP

Notes to Financial Statements Year Ended March 31, 2007

Note 7 Long-Term Debt (Concluded)

LaSalle Sewage Disposal System No. 1 Refunding Bonds Contract Payable - \$845,000 bond issue dated September 15, 1995 by the County of Monroe. (LaSalle Township is obligated to pay the County of Monroe sufficient amounts to cover the principal and interest requirements to retire this bond issue):

<u>Fiscal Year</u>	<u>Interest Due</u>		<u>Principal</u>	<u>Total</u>
	<u>May 1</u>	<u>November 1</u>	<u>Due May 1</u>	<u>Requirements</u>
2008	\$15,804	\$14,169	\$ 60,000	\$ 89,973
2009	14,169	12,504	60,000	86,673
2010	12,504	10,950	55,000	78,454
2011	10,950	9,300	55,000	75,250
2012	9,300	7,650	55,000	71,950
2013	7,650	5,850	60,000	73,500
2014	5,850	3,900	65,000	74,750
2015	3,900	1,950	65,000	70,850
2016	<u>1,950</u>	<u>-</u>	<u>65,000</u>	<u>66,950</u>
	<u>\$82,077</u>	<u>\$66,273</u>	<u>\$540,000</u>	<u>\$688,350</u>

Notes: 1. The above debt retirement schedule does not include paying agent fees.

2. Interest rates: 3.85% to 6.00%

3. Paying agent: Michigan National Bank, Detroit, Michigan

The annual requirements to pay principal and interest on long-term debt outstanding at March 31, 2007 are as follows:

<u>Fiscal Years</u>	<u>Governmental Activities</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2007 - 2008	\$140,000	\$ 38,406	\$178,406
2008 - 2009	81,000	32,559	113,559
2009 - 2010	81,000	28,229	109,229
2010 - 2011	66,000	24,166	90,166
2011 - 2012	66,000	20,376	86,376
2012 - 2017	310,000	40,840	350,840
2017 - 2018	<u>11,000</u>	<u>490</u>	<u>11,490</u>
	<u>\$755,000</u>	<u>\$185,066</u>	<u>\$940,066</u>

Note 8 Special Assessments

In the Water Lateral Receiving Fund, the special assessments receivable of \$104,262 are balances owed on the water debt service charges. The Township has, by ordinance, provided for the collection of debt service charges for each water tap-in. These moneys are available for operation and maintenance, expansion, and replacement of the laterals, and for debt service.

LASALLE TOWNSHIP

Notes to Financial Statements Year Ended March 31, 2007

Note 8 Special Assessments (Concluded)

In the following funds, the special assessment receivable are balances owed on special assessments levied to help pay for principal and interest on bonds as stated in Note 7.

<u>Fund</u>	<u>Special Assessment Receivable March 31, 2007</u>
Lakeshore Area Sewer Fund	\$112,097
Water District 1995-16A & 17A	6,969
Water District 1997-21A	13,043
Water District 2002-27A	<u>93,320</u>
	<u>\$225,429</u>

Note 9 Interfund Transfers

Interfund transfers for the year ended March 31, 2007, consisted of the following:

<u>Transfers In</u>	<u>Transfers Out</u>				<u>Total</u>
	<u>General Fund</u>	<u>Water District 1991A Debt Service Fund</u>	<u>Water District 1991B Debt Service Fund</u>	<u>Water District 1995-13B Debt Service Fund</u>	
Special Revenue Funds:					
Water Lateral Receiving	\$ -	\$1,598	\$890	\$476	\$ 2,964
Lighting	6,939	-	-	-	6,939
Capital Project Fund:					
Building and Improvement	<u>20,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>20,000</u>
	<u>\$26,939</u>	<u>\$1,598</u>	<u>\$890</u>	<u>\$476</u>	<u>\$29,903</u>

Transfers to the Water Lateral Receiving Fund were to close the Water District Funds. The transfer to the Lighting Fund was to eliminate a fund deficit, and the transfer to the Building and Improvement Fund was for capital improvements.

Note 10 Michigan Unemployment

On May 16, 1974, Governor Milliken signed into law enrolled Senate Bill 741, which is known as Act No. 104 of the Public Acts of 1974. The provisions of this Act subject political subdivisions to the Michigan Employment Security Act effective January 1, 1975. LaSalle Township has elected to make reimbursement payments rather than to pay contributions as a contributing employer.

Note 11 Property Tax

Property taxes, which are based on property owned as of December 31, 2005 were billed on December 1, 2006 and were payable February 14, 2007. Summer taxes are billed July 1 and are due September 14. The Township collects its own property tax and also collects taxes for the State of Michigan, County of Monroe, Monroe Public Schools, Mason Consolidated Schools, Ida Public Schools, Monroe County Community College, and the Monroe County Intermediate School District.

The Township levied 0.7495 mills for general operating and 0.7410 mills for the fire department for the 2006-2007 fiscal year. The total taxable value for the year was \$172,339,242 which is based on a percentage of the fair market value of the assessed property.

LASALLE TOWNSHIP

Notes to Financial Statements Year Ended March 31, 2007

Note 12 Employee's Pension Plan

The Township adopted a defined contribution pension plan which was effective May 1, 1992. The plan provides pension benefits for all Township employees who are employed for more than ten hours a week on a regular basis. In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. Employees are eligible to participate on the first policy anniversary date on which they have completed at least one year of continuous employment with the Township and their age (nearest birthday) is at least eighteen years and not more than eighty-five years. The plan requires that the Township contribute 10% of a covered employee's annual compensation to the plan and that each covered employee shall also contribute at least 5% of their annual compensation. Contributions to the plan are vested immediately.

The Township's covered payroll for the fiscal year ending March 31, 2007 was \$196,436, with a total payroll of \$204,205. A total of \$31,530 was contributed to the plan of which \$10,081 (5.1% of covered payroll) was withheld from the employees, \$19,644 (10% of covered payroll) was paid by the Township, and \$1,805 was paid by the Township for administrative expenses.

Note 13 Building Department

The Township tracks building permit fees and their related costs in the General Fund. Fees for the fiscal year ending March 31, 2007, of \$31,113 did not exceed the related costs and administrative overhead.

Note 14 Risk Management

The Township is exposed to various risks of loss related to property loss, torts, errors, omissions and employee injuries (workman's compensation). The Township has purchased commercial insurance for property loss, torts, errors, omissions and employee injuries.

Note 15 Joint Venture

The South County Water System is a joint venture with the County of Monroe and four municipalities: LaSalle Township, Bedford Township, Erie Township, and the City of Luna Pier. However, the municipalities do not have an equity interest in this joint venture. LaSalle Township and the other three municipalities entered into a contract with the County of Monroe whereby each municipality has pledged their full faith and credit to provide debt service payments on the \$1,400,000 bond issue dated July 1, 1995. The bond proceeds were used for renovations and improvements to the South County Water System. LaSalle Township and the other three municipalities entered into another contract with the County of Monroe whereby each municipality has pledged their full faith and credit to provide debt service payments on the \$4,400,000 bond issue dated October 1, 2005. The bond proceeds were used to acquire and construct improvements to the South County Water System, and \$280,000 of the bond issue was used to redeem the balance of the 1995 bond issue dated July 1, 1995. Each municipality is obligated for their share of the obligation based on the assessed property valuations which are computed annually. Currently, the South County Water System provides the debt retirement requirements on the \$4,400,000 bond issue which are paid from the system's revenues.

LASALLE TOWNSHIP

Notes to Financial Statements

Year Ended March 31, 2007

Note 15 Joint Venture (Concluded)

As of March 31, 2007, LaSalle Township's obligation for this bond issue is 13.549%. The following is the financial information of the joint venture, obtained from the Monroe County Drain Commissioner, County Agency financial report as of December 31, 2007:

Total assets	\$31,711,150
Total liabilities	4,812,892
Total net assets	26,898,258
Total revenues	4,677,818
Total expenses	3,497,735
Total increase in system equity	1,180,083
Current portion of long-term debt	140,000
Long-term debt (net of discounts)	4,119,700

LASALLE TOWNSHIP

General Fund
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
Year Ended March 31, 2007

	Budgeted Amounts		Actual	Positive (Negative) Budget
	Original	Final		
Revenues				
Taxes and special assessments	\$127,400	\$127,400	\$129,568	\$2,168
Licenses and Permits:				
Business licenses and permits	42,000	42,000	31,113	(10,887)
Non-business licenses and permits	24,000	24,000	24,852	852
	66,000	66,000	55,965	(10,035)
State grants	343,000	343,000	344,458	1,458
Contributions from local units	0	0	6,792	6,792
Charges for Services:				
Cemetery sales	10,000	10,000	10,050	50
Rentals	4,800	4,800	4,490	(310)
	14,800	14,800	14,540	(260)
Interest	5,500	5,500	15,922	10,422
Other revenue	21,600	21,600	34,928	13,328
Total Revenues	578,300	578,300	602,173	23,873
Expenditures				
Legislative:				
Township board	28,800	28,800	25,627	3,173
General Government:				
Supervisor	30,800	30,800	28,835	1,965
Assessor	30,400	28,400	27,226	1,174
Elections	5,000	6,710	13,421	(6,711)
Audit	14,000	14,000	13,900	100
Attorney	10,000	14,000	12,953	1,047
Clerk	51,100	48,590	47,024	1,566
Board of review	1,500	1,500	1,083	417
Treasurer	55,800	55,800	54,948	852
Buildings and grounds	47,300	44,100	35,283	8,817
Cemetery	15,000	18,200	15,059	3,141
	260,900	262,100	249,732	12,368

LASALLE TOWNSHIP

General Fund Statement of Revenues, Expenditures, and Changes in Fund Balance Budget and Actual Year Ended March 31, 2007

	Budgeted Amounts			Positive (Negative) Budget
	Original	Final	Actual	
Expenditures (Concluded)				
Public Safety:				
Fire department	\$65,900	\$65,900	\$52,459	\$13,441
Building inspection	52,000	54,250	46,920	7,330
Planning commission	10,000	10,000	7,922	2,078
Zoning board	2,000	2,000	1,373	627
	<u>129,900</u>	<u>132,150</u>	<u>108,674</u>	<u>23,476</u>
Public Works:				
Drains	4,000	1,750	1,058	692
Highways and streets	115,200	115,200	61,403	53,797
Water department	1,000	1,000	630	370
Weed enforcement	600	600	415	185
	<u>120,800</u>	<u>118,550</u>	<u>63,506</u>	<u>55,044</u>
Recreation and Culture:				
Parks and recreation	2,000	2,000	1,474	526
Other:				
Pension	22,500	22,500	21,625	875
Insurance	36,000	36,195	35,340	855
Social security/Medicare	17,000	17,000	15,421	1,579
Employee health insurance supplement	12,600	12,600	12,225	375
Miscellaneous	2,400	1,005	987	18
	<u>90,500</u>	<u>89,300</u>	<u>85,598</u>	<u>3,702</u>
Total Expenditures	<u>632,900</u>	<u>632,900</u>	<u>534,611</u>	<u>98,289</u>
Excess (Deficiency) of Revenues Over Expenditures	(54,600)	(54,600)	67,562	122,162
Other Financing Sources (Uses)				
Operating transfers out	<u>(5,400)</u>	<u>(5,400)</u>	<u>(26,939)</u>	<u>(21,539)</u>
Net Change in Fund Balance	<u>(60,000)</u>	<u>(60,000)</u>	<u>40,623</u>	<u>100,623</u>
Fund Balance - Beginning of year	<u>248,520</u>	<u>248,520</u>	<u>449,005</u>	<u>200,485</u>
Fund Balance - End of year	<u><u>\$188,520</u></u>	<u><u>\$188,520</u></u>	<u><u>\$489,628</u></u>	<u><u>\$301,108</u></u>

LASALLE TOWNSHIP

Water Lateral Receiving Fund *Statement of Revenues, Expenditures, and Changes in Fund Balance* *Budget and Actual* *Year Ended March 31, 2007*

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Special assessments	\$22,000	\$22,000	\$27,398	\$5,398
Interest	2,800	2,800	8,940	6,140
Total Revenues	24,800	24,800	36,338	11,538
Expenditures				
Public works:				
Water main	60,000	60,000	0	60,000
Excess (Deficiency) of Revenues Over Expenditures	(35,200)	(35,200)	36,338	71,538
Other Financing Sources (Uses)				
Operating transfers in	0	0	2,964	2,964
Net Change in Fund Balance	(35,200)	(35,200)	39,302	74,502
Fund Balance - Beginning of year	238,952	238,952	241,934	2,982
Fund Balance - End of year	<u>\$203,752</u>	<u>\$203,752</u>	<u>\$281,236</u>	<u>\$77,484</u>

LASALLE TOWNSHIP

Special Voted Fire Department Fund Statement of Revenues, Expenditures, and Changes in Fund Balance Budget and Actual Year Ended March 31, 2007

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Taxes	\$125,900	\$125,900	\$127,689	\$1,789
Interest	3,600	3,600	7,886	4,286
Other revenue	0	0	2,278	2,278
Total Revenues	129,500	129,500	137,853	8,353
Expenditures				
Public safety:				
Fire department	200,598	200,598	200,395	203
Net Change in Fund Balance	(71,098)	(71,098)	(62,542)	8,556
Fund Balance - Beginning of year	388,120	388,120	385,637	(2,483)
Fund Balance - End of year	<u>\$317,022</u>	<u>\$317,022</u>	<u>\$323,095</u>	<u>\$6,073</u>

LASALLE TOWNSHIP

Lakeshore Area Sewer Receiving Fund
Statement of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual
Year Ended March 31, 2007

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Charges for services	\$86,814	\$95,253	\$91,249	(\$4,004)
Interest and penalties	1,170	1,170	1,520	350
Total Revenues	87,984	96,423	92,769	(3,654)
Expenditures				
Public works:				
Operation and maintenance	37,482	37,482	23,926	13,556
Luna Pier charges	51,798	60,237	60,657	(420)
Total Expenditures	89,280	97,719	84,583	13,136
Net Change in Fund Balance	(1,296)	(1,296)	8,186	9,482
Fund Balance - Beginning of year	47,902	47,902	70,671	22,769
Fund Balance - End of year	<u>\$46,606</u>	<u>\$46,606</u>	<u>\$78,857</u>	<u>\$32,251</u>

LASALLE TOWNSHIP

*South County Water Fund
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
Year Ended March 31, 2007*

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Interest	\$10,000	\$10,000	\$16,836	\$6,836
Other:				
Water usage charges	20,900	20,900	0	(20,900)
Total Revenues	30,900	30,900	16,836	(14,064)
Expenditures				
Debt service:				
Principal	20,900	20,900	0	20,900
Net Change in Fund Balance	10,000	10,000	16,836	6,836
Fund Balance - Beginning of year	354,945	354,945	357,682	2,737
Fund Balance - End of year	<u>\$364,945</u>	<u>\$364,945</u>	<u>\$374,518</u>	<u>\$9,573</u>

LASALLE TOWNSHIP

*Lakeshore Area Sewer Fund
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
Year Ended March 31, 2007*

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Special assessments	\$13,600	\$13,600	\$22,012	\$8,412
Interest and penalties	16,800	16,800	21,170	4,370
Debt service charge	44,520	44,520	44,780	260
Total Revenues	74,920	74,920	87,962	13,042
Expenditures				
Debt service:				
Principal	60,000	60,000	60,000	0
Interest and fiscal charges	33,598	33,598	33,259	339
Miscellaneous	0	0	282	(282)
Total Expenditures	93,598	93,598	93,541	57
Net Change in Fund Balance	(18,678)	(18,678)	(5,579)	13,099
Fund Balance - Beginning of year	342,625	342,625	351,030	8,405
Fund Balance - End of year	<u>\$323,947</u>	<u>\$323,947</u>	<u>\$345,451</u>	<u>\$21,504</u>

LASALLE TOWNSHIP

Water District 2002-27A Debt Fund *Statement of Revenues, Expenditures, and Changes in Fund Balance* *Budget and Actual* *Year Ended March 31, 2007*

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Special assessments	\$12,000	\$12,000	\$8,500	(\$3,500)
Interest	900	900	7,296	6,396
Total Revenues	12,900	12,900	15,796	2,896
Expenditures				
Debt service:				
Principal	10,000	10,000	10,000	0
Interest and fiscal charges	6,184	6,184	6,010	174
Total Expenditures	16,184	16,184	16,010	174
Net Change in Fund Balance	(3,284)	(3,284)	(214)	2,722
Fund Balance - Beginning of year	74,200	74,200	82,811	8,611
Fund Balance - End of year	<u>\$70,916</u>	<u>\$70,916</u>	<u>\$82,597</u>	<u>\$11,333</u>

LASALLE TOWNSHIP

*Nonmajor Governmental Funds
Combining Balance Sheet
March 31, 2007*

	Special Revenue Funds					
	Liquor Law Enforcement	Lighting	Foster Lane	Belleterre District No. 1	North Shores Drain O & M	North Shores Snow
Assets						
Cash and cash equivalents	\$0	\$0	(\$230)	\$16,694	\$0	\$4,843
Cash with fiscal agent	0	0	0	0	0	0
Receivables:						
Special assessments	0	0	0	0	0	0
Delinquent taxes	0	2,306	300	0	0	0
Due from other governments	0	9,267	1,900	2,850	0	0
Total Assets	<u>\$0</u>	<u>\$11,573</u>	<u>\$1,970</u>	<u>\$19,544</u>	<u>\$0</u>	<u>\$4,843</u>
Total Liabilities and Fund Balances						
Liabilities						
Due to other funds	\$0	\$11,573	\$0	\$0	\$0	\$0
Deferred revenue	0	0	0	0	0	0
Total Liabilities	0	11,573	0	0	0	0
Fund Balances						
Reserved for debt service	0	0	0	0	0	0
Unreserved	0	0	1,970	19,544	0	4,843
Total Fund Balances	0	0	1,970	19,544	0	4,843
Total Liabilities and Fund Balances	<u>\$0</u>	<u>\$11,573</u>	<u>\$1,970</u>	<u>\$19,544</u>	<u>\$0</u>	<u>\$4,843</u>

Debt Service Funds					Capital Projects Fund	Total Nonmajor Governmental Funds
Water District 1991-A	Water District 1991-B	Water District 1995-13B	Water District 1995-16A & 17A	Water District 1997-21A	Building and Improvement	
\$0	\$0	\$0	\$71,771	\$19,187	\$25,652	\$137,917
0	5,372	0	0	0	0	5,372
0	0	0	6,969	13,043	0	20,012
0	0	0	997	0	0	3,603
0	0	0	4,499	2,241	0	20,757
<u>\$0</u>	<u>\$5,372</u>	<u>\$0</u>	<u>\$84,236</u>	<u>\$34,471</u>	<u>\$25,652</u>	<u>\$187,661</u>
\$0	\$0	\$0	\$0	\$0	\$0	\$11,573
0	0	0	0	8,695	0	8,695
0	0	0	0	8,695	0	20,268
0	5,372	0	84,236	25,776	0	115,384
0	0	0	0	0	25,652	52,009
0	5,372	0	84,236	25,776	25,652	167,393
<u>\$0</u>	<u>\$5,372</u>	<u>\$0</u>	<u>\$84,236</u>	<u>\$34,471</u>	<u>\$25,652</u>	<u>\$187,661</u>

LASALLE TOWNSHIP

Nonmajor Governmental Funds Combining Statement of Revenues, Expenditures, and Changes in Fund Balances Year Ended March 31, 2007

	Special Revenue Funds					
	Liquor Law Enforcement	Lighting	Foster Lane	Belleterre District No. 1	North Shores Drain O & M	North Shores Snow
Revenues						
Special assessments	\$0	\$11,572	\$2,200	\$2,850	\$0	\$0
State grants	2,601	0	0	0	0	0
Interest	0	0	32	116	16	56
Total Revenues	2,601	11,572	2,232	2,966	16	56
Expenditures						
Public safety	2,601	18,511	0	0	0	0
Public works	0	0	3,745	4,655	4,023	500
Debt service	0	0	0	0	0	0
Capital projects	0	0	0	0	0	0
Total Expenditures	2,601	18,511	3,745	4,655	4,023	500
Excess (Deficiency) of Revenues Over Expenditures	0	(6,939)	(1,513)	(1,689)	(4,007)	(444)
Other Financing Sources (Uses)						
Operating transfers in	0	6,939	0	0	0	0
Operating transfers out	0	0	0	0	0	0
Total Other Financing Sources (Uses)	0	6,939	0	0	0	0
Net Change in Fund Balances	0	0	(1,513)	(1,689)	(4,007)	(444)
Fund Balances - Beginning of year	0	0	3,483	21,233	4,007	5,287
Fund Balances - End of year	\$0	\$0	\$1,970	\$19,544	\$0	\$4,843

Debt Service Funds					Capital Projects Fund	Total Nonmajor Governmental Funds
Water District 1991-A	Water District 1991-B	Water District 1995-13B	Water District 1995-16A & 17A	Water District 1997-21A	Building and Improvement	
\$16,524	\$380	\$1,262	\$4,875	\$4,348	\$0	\$44,011
0	0	0	0	0	0	2,601
588	257	1,113	4,146	1,543	397	8,264
17,112	637	2,375	9,021	5,891	397	54,876
0	0	0	0	0	0	21,112
0	0	0	0	0	0	12,923
49,244	7,033	52,623	54,313	17,601	0	180,814
0	0	0	0	0	15,950	15,950
49,244	7,033	52,623	54,313	17,601	15,950	230,799
(32,132)	(6,396)	(50,248)	(45,292)	(11,710)	(15,553)	(175,923)
0	0	0	0	0	20,000	26,939
(1,598)	(890)	(476)	0	0	0	(2,964)
(1,598)	(890)	(476)	0	0	20,000	23,975
(33,730)	(7,286)	(50,724)	(45,292)	(11,710)	4,447	(151,948)
33,730	12,658	50,724	129,528	37,486	21,205	319,341
\$0	\$5,372	\$0	\$84,236	\$25,776	\$25,652	\$167,393

LASALLE TOWNSHIP

Liquor Law Enforcement Fund
Statement of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual
Year Ended March 31, 2007

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
State grants	\$2,606	\$2,606	\$2,601	(\$5)
Interest	8	8	0	(8)
Total Revenues	2,614	2,614	2,601	(13)
Expenditures				
Public safety	2,614	2,614	2,601	13
Net Change in Fund Balance	0	0	0	0
Fund Balance - Beginning of year	0	0	0	0
Fund Balance - End of year	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

LASALLE TOWNSHIP*Lighting Fund**Statement of Revenues, Expenditures, and Changes in Fund Balances**Budget and Actual**Year Ended March 31, 2007*

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Special assessments	\$11,572	\$11,572	\$11,572	\$0
Expenditures				
Public safety	16,972	16,972	18,511	(1,539)
Excess (Deficiency) of Revenues Over Expenditures	(5,400)	(5,400)	(6,939)	(1,539)
Other Financing Sources				
Operating transfer in	5,400	5,400	6,939	1,539
Net Change in Fund Balance	0	0	0	0
Fund Balance - Beginning of year	0	0	0	0
Fund Balance - End of year	\$0	\$0	\$0	\$0

LASALLE TOWNSHIP

Foster Lane Fund
Statement of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual
Year Ended March 31, 2007

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Special assessments	\$2,200	\$2,200	\$2,200	\$0
Interest	100	100	32	(68)
Total Revenues	2,300	2,300	2,232	(68)
Expenditures				
Public works	2,400	2,400	3,745	(1,345)
Net Change in Fund Balance	(100)	(100)	(1,513)	1,277
Fund Balance - Beginning of year	3,484	3,484	3,483	(1)
Fund Balance - End of year	<u>\$3,384</u>	<u>\$3,384</u>	<u>\$1,970</u>	<u>(\$1,414)</u>

LASALLE TOWNSHIP

Belleterre District No. 1 Fund
Statement of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual
Year Ended March 31, 2007

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Special assessments	\$2,850	\$2,850	\$2,850	\$0
Interest	300	300	116	(184)
Total Revenues	3,150	3,150	2,966	(184)
Expenditures				
Public works:				
Road maintenance	12,600	12,600	4,655	7,945
Net Change in Fund Balance	(9,450)	(9,450)	(1,689)	7,761
Fund Balance - Beginning of year	21,221	21,221	21,233	12
Fund Balance - End of year	<u>\$11,771</u>	<u>\$11,771</u>	<u>\$19,544</u>	<u>\$7,773</u>

LASALLE TOWNSHIP

North Shores Drain O & M Fund
Statement of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual
Year Ended March 31, 2007

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Interest	\$33	\$33	\$16	(\$17)
Expenditures				
Public works:				
Drains	0	0	4,023	(4,023)
Net Change in Fund Balance	33	33	(4,007)	(4,040)
Fund Balance - Beginning of year	4,005	4,005	4,007	2
Fund Balance - End of year	<u>\$4,038</u>	<u>\$4,038</u>	<u>\$0</u>	<u>(\$4,038)</u>

LASALLE TOWNSHIP

North Shores Snow Fund
Statement of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual
Year Ended March 31, 2007

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Interest	\$200	\$200	\$56	(\$144)
Expenditures				
Public works:				
Snow removal	<u>2,000</u>	<u>2,000</u>	<u>500</u>	<u>1,500</u>
Net Change in Fund Balance	(1,800)	(1,800)	(444)	(1,644)
Fund Balance - Beginning of year	<u>5,287</u>	<u>5,287</u>	<u>5,287</u>	<u>0</u>
Fund Balance - End of year	<u><u>\$3,487</u></u>	<u><u>\$3,487</u></u>	<u><u>\$4,843</u></u>	<u><u>(\$1,644)</u></u>

LASALLE TOWNSHIP

Water District 1991-A Fund Statement of Revenues, Expenditures, and Changes in Fund Balances Budget and Actual Year Ended March 31, 2007

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Special assessments	\$0	\$0	\$16,524	\$16,524
Interest	0	0	588	588
Total Revenues	0	0	17,112	17,112
Expenditures				
Debt service:				
Principal	20,000	20,000	20,000	0
Interest and fiscal charges	900	900	900	0
Miscellaneous	0	0	28,344	(28,344)
Total Expenditures	20,900	20,900	49,244	(28,344)
Excess (Deficiency) of Revenues Over Expenditures	(20,900)	(20,900)	(32,132)	45,456
Other Financing (Uses)				
Operating transfer out	0	0	(1,598)	(1,598)
Net Change in Fund Balance	(20,900)	(20,900)	(33,730)	43,858
Fund Balance - Beginning of year	35,043	35,043	33,730	(1,313)
Fund Balance - End of year	<u>\$14,143</u>	<u>\$14,143</u>	<u>\$0</u>	<u>\$42,545</u>

LASALLE TOWNSHIP

Water District 1991-B Fund *Statement of Revenues, Expenditures, and Changes in Fund Balances* *Budget and Actual* *Year Ended March 31, 2007*

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Special assessments	\$600	\$600	\$380	(\$220)
Interest	100	100	257	157
Total Revenues	700	700	637	(63)
Expenditures				
Debt service:				
Principal	5,000	5,000	5,000	0
Interest and fiscal charges	915	915	915	0
Miscellaneous	0	0	1,118	(1,118)
Total Expenditures	5,915	5,915	7,033	(1,118)
Excess (Deficiency) of Revenues Over Expenditures	(5,215)	(5,215)	(6,396)	1,055
Other Financing (Uses)				
Operating transfer out	0	0	(890)	(890)
Net Change in Fund Balance	(5,215)	(5,215)	(7,286)	165
Fund Balance - Beginning of year	12,104	12,104	12,658	554
Fund Balance - End of year	<u>\$6,889</u>	<u>\$6,889</u>	<u>\$5,372</u>	<u>\$719</u>

LASALLE TOWNSHIP

Water District 1995-13B Fund *Statement of Revenues, Expenditures, and Changes in Fund Balances* *Budget and Actual* *Year Ended March 31, 2007*

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Special assessments	\$0	\$0	\$1,262	\$1,262
Interest	0	0	1,113	1,113
Total Revenues	0	0	2,375	2,375
Expenditures				
Miscellaneous	0	0	52,623	(52,623)
Total Expenditures	0	0	52,623	(52,623)
Excess (Deficiency) of Revenues Over Expenditures	0	0	(50,248)	(50,248)
Other Financing (Uses)				
Operating transfer out	0	0	(476)	(476)
Net Change in Fund Balance	0	0	(50,724)	(50,724)
Fund Balance - Beginning of year	50,389	50,389	50,724	335
Fund Balance - End of year	<u>\$50,389</u>	<u>\$50,389</u>	<u>\$0</u>	<u>(\$50,389)</u>

LASALLE TOWNSHIP

Water District 1995-16A & 17A Fund *Statement of Revenues, Expenditures, and Changes in Fund Balances* *Budget and Actual* *Year Ended March 31, 2007*

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Special assessments	\$22,000	\$22,000	\$4,875	(\$17,125)
Interest	1,400	1,400	4,146	2,746
Total Revenues	23,400	23,400	9,021	(14,379)
Expenditures				
Debt service:				
Principal	50,000	50,000	50,000	0
Interest and fiscal charges	4,313	4,313	4,313	0
Total Expenditures	54,313	54,313	54,313	0
Net Change in Fund Balance	(30,913)	(30,913)	(45,292)	(14,379)
Fund Balance - Beginning of year	127,330	127,330	129,528	2,198
Fund Balance - End of year	<u>\$96,417</u>	<u>\$96,417</u>	<u>\$84,236</u>	<u>(\$12,181)</u>

LASALLE TOWNSHIP

Water District 1997-21A Fund *Statement of Revenues, Expenditures, and Changes in Fund Balances* *Budget and Actual* *Year Ended March 31, 2007*

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Special assessments	\$4,600	\$4,600	\$4,348	(\$252)
Interest	500	500	1,543	1,043
Total Revenues	5,100	5,100	5,891	791
Expenditures				
Debt service:				
Principal	15,000	15,000	15,000	0
Interest and fiscal charges	2,751	2,751	2,601	150
Total Expenditures	17,751	17,751	17,601	150
Net Change in Fund Balance	(12,651)	(12,651)	(11,710)	941
Fund Balance - Beginning of year	37,195	37,195	37,486	291
Fund Balance - End of year	<u>\$24,544</u>	<u>\$24,544</u>	<u>\$25,776</u>	<u>\$1,232</u>

LASALLE TOWNSHIP

Building and Improvement Fund
Statement of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual
Year Ended March 31, 2007

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Interest	\$200	\$200	\$397	\$197
Expenditures	<u>6,370</u>	<u>16,370</u>	<u>15,950</u>	<u>420</u>
Excess (Deficiency) of Revenues Over Expenditures	(6,170)	(16,170)	(15,553)	(223)
Other Financing Sources				
Operating transfer in	<u>0</u>	<u>0</u>	<u>20,000</u>	<u>20,000</u>
Net Change in Fund Balance	(6,170)	(16,170)	4,447	19,777
Fund Balance - Beginning of year	<u>23,033</u>	<u>23,033</u>	<u>21,205</u>	<u>(1,828)</u>
Fund Balance - End of year	<u><u>\$16,863</u></u>	<u><u>\$6,863</u></u>	<u><u>\$25,652</u></u>	<u><u>\$17,949</u></u>

LASALLE TOWNSHIP

Agency Funds
Statement of Changes in Assets and Liabilities
March 31, 2007

	Tax Collection	Water Tap Fee	Water Bill	Totals
Assets				
Cash	<u>\$276,599</u>	<u>\$14,142</u>	<u>\$23</u>	<u>\$290,764</u>
Liabilities				
Due to other governments	\$276,599	\$10,365	\$23	\$286,987
Due to others	<u>0</u>	<u>3,777</u>	<u>0</u>	<u>3,777</u>
Total Liabilities	<u>\$276,599</u>	<u>\$14,142</u>	<u>\$23</u>	<u>\$290,764</u>

LASALLE TOWNSHIP

Agency Funds

Statement of Changes in Assets and Liabilities March 31, 2007

	Balance March 31, 2006	Additions	Deductions	Balance March 31, 2007
Tax Collection Fund				
Assets				
Cash	\$276,699	\$4,114,799	\$4,114,899	\$276,599
Liabilities				
Due to other governments	\$274,430	\$4,110,079	\$4,107,910	\$276,599
Due to others	2,269	4,720	6,989	0
Total Liabilities	\$276,699	\$4,114,799	\$4,114,899	\$276,599
Water Tap Fee Fund				
Assets				
Cash	\$9,140	\$20,502	\$15,500	\$14,142
Liabilities				
Due to other governments	\$9,140	\$16,725	\$15,500	\$10,365
Due to others	0	3,777	0	3,777
Total Liabilities	\$9,140	\$20,502	\$15,500	\$14,142
Water Bill Fund				
Assets				
Cash	\$23	\$58,850	\$58,850	\$23
Liabilities				
Due to other governments	\$23	\$58,850	\$58,850	\$23
TOTALS - ALL AGENCY FUNDS				
Assets				
Cash	\$285,862	\$4,194,151	\$4,189,249	\$290,764
Liabilities				
Due to other governments	\$283,593	\$4,185,654	\$4,182,260	\$286,987
Due to others	2,269	8,497	6,989	3,777
Total Liabilities	\$285,862	\$4,194,151	\$4,189,249	\$290,764



**COOLEY HEHL
WOHLGAMUTH & CARLTON**
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Township Board
LaSalle Township
Monroe County, Michigan

In planning and performing our audit of the financial statements of LaSalle Township as of and for the year ended March 31, 2007, in accordance with auditing standards generally accepted in the United States of America, we considered the Township's internal control over financial reporting (internal control) as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Township's internal control. Accordingly, we do not express an opinion on the effectiveness of the Township's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. However, as discussed below, we identified certain deficiencies in internal control that we consider to be significant deficiencies and other deficiencies that we consider to be material weaknesses.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the entity's internal control. We believe that the following deficiency constitutes a material weakness.

Financial Statements

The Township does not have procedures in place to prepare financial statements in accordance with accounting principles generally accepted in the United States of America, including procedures to record accruals for revenues and expenditures, to track changes in capital assets, and to present required financial statement disclosures. As is the case with many smaller and medium-sized entities, the government has historically relied on independent external auditors to assist in the preparation of the government-wide financial statements and footnotes. As a result of this condition, the government lacks internal controls over the preparation of the financial statements in accordance with GAAP.

Township Board
LaSalle Township

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The following comments are not significant deficiencies or material weaknesses but are suggestions to improve your existing accounting and control systems.

Budgets

The Township adopts a budget for each fund at the beginning of the fiscal year. Throughout the fiscal year, the budget needs to be amended to allow for expenditures that are higher than originally anticipated and for unexpected expenditures.

Lakeshore Area Sewer Receiving Fund

This fund still has a debt to another fund of \$30,468. User charges in this fund need to continue to be reviewed to assure that the current expenses are met and sufficient cash is generated to pay back monies that were borrowed.

This communication is intended solely for the information and use of the Township Board, management, others within the Township and is not intended to be and should not be used by anyone other than these specified parties.

Very truly yours,

A handwritten signature in cursive script that reads "Cooley Hehl Wohlgamuth & Carlton".

August 2, 2007